



Brownfields Cleanup Revolving Loan Fund Pilot

Lansing Brownfields Redevelopment Authority, MI

Outreach and Special Projects Staff (5105)

Quick Reference Fact Sheet

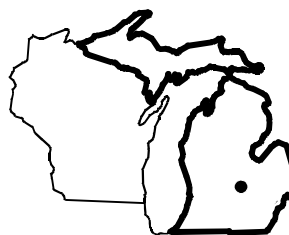
EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$250,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, brownfields cleanup revolving loan fund (BCRLF) programs (each funded up to \$1,000,000 over five years), to provide financial assistance for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

Lansing has long been a center of automobile manufacturing and related industries, with General Motors (GM) traditionally being one of the largest employers. More recently, Lansing's economy has suffered, and many jobs have been lost as a result of GM's corporate downsizing and the closure of older, less efficient plants. Currently, 19% of Lansing's population lives below the poverty line.

In an attempt to combat poverty and urban sprawl, and to attract new business to the area, the City established two Renaissance Zones which offer developers tax incentives to locate therein. The City also set up the Lansing Brownfields Redevelopment Authority (LBRA) in 1997 to promote the revitalization of environmentally distressed areas. To date, the LBRA has completed two brownfields projects. The first was the redevelopment of an abandoned gas station into a thriving commercial business, and the second was the conversion of the former Motor Wheel facility (27 acres) into the home of GM's new Powertrain Machine Tool Operations, retaining over 250 jobs with the expectation of 250 more. In addition, the LBRA utilized the original EPA Assessment Demonstration Pilot funds to identify, categorize, and prioritize

PILOT SNAPSHOT



Lansing, Michigan

Date of Announcement:
April 2001

Amount: \$500,000

BCRLF Target Area:
Sites throughout the City
of Lansing

Contacts:

Lansing Brownfield
Redevelopment Authority
(517) 483-4594

Region 5 Brownfields
Coordinator
(312) 886-3058

Visit the EPA Region 5 Brownfields web site at:
<http://www.epa.gov/R5Brownfields/>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
www.epa.gov/brownfields

approximately 100 brownfields properties with redevelopment potential that are evenly dispersed throughout the city.

BCRLF OBJECTIVES

Lansing's brownfields objectives are to level the financial playing field between undeveloped greenfield sites and brownfield properties. The City wants to return brownfields to productive use and substantially increase the property value of those sites identified as redevelopment priorities; market available sites and funding mechanisms to potential developers; and create new employment and economic vitality within the community. Implicit is the desire to reduce urban sprawl and encourage environmentally friendly development.

Two promising projects under consideration for the BCRLF are the: (1) expansion of the Lansing Convention Center northward onto a site that is known to be contaminated, requiring \$11 million in investment, and (2) cleanup of contaminated sites in downtown Lansing that will then be used for the construction of an Arts & Education Center.

FUND STRUCTURE AND OPERATIONS

The LBRA is the cooperative agreement recipient and will serve as the lead agency and fund manager. The LBRA is considering several options for a site manager.

LEVERAGING OTHER RESOURCES

At the state level, the Michigan Department of Environmental Quality has several grant and/or loan programs specifically designed to assist brownfields cleanup efforts. The Brownfields Redevelopment Site Reclamation Grant Program and the Clean Michigan Initiative both may be incorporated into local brownfields redevelopment plans. In addition, the State provides tax incentives to induce brownfields redevelopment, the Single Business Tax Credit, Tax Increment Financing, and credits arising from neighborhood Renaissance Zone Status. These will complement Federal funding from HUD's Entitlement and Community Development Block Grant Program, and the Department of Commerce's Economic Development Administration Brownfields Program.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
